

FILED

CAUSE NO. A-1864

JURISDICTION

- ### STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. George A. Gehringer, Cause Number A-1864 on January 22, 2010. A copy of the petition was served upon the Respondent at the Respondent's address registered with the Department by certified mail, return receipt requested and by First Class U.S. Mail.

2. Respondent violated §§44-1524, 44-1525(12), 44-4059(1)(b), 44-4059(1)(g), 44-4059(1)(h) and 44-4059(1)(i) as a result of the following conduct:

- a. On or about January 14, 2009, a complaint was filed by P.K. ("Insured") alleging that Brian Cavanaugh ("Cavanaugh"), who solicited the health insurance policy on Insured with American Community Mutual Insurance Company ("ACMIC"), had knowingly put the wrong weight for Insured on the insurance application that Cavanaugh had completed on March 27, 2008, which resulted in Insured's subsequent claim being denied and his insurance policy with ACMIC rescinded for misrepresentation on the insurance application completed by Cavanaugh. At the time the ACMIC health insurance application on Insured was solicited and completed by Cavanaugh, he was not licensed with the Nebraska Department of Insurance as his resident insurance producer license had been revoked by the Department effective June 21, 2007, and therefore Cavanaugh was not authorized to solicit insurance on Nebraska residents.
- b. Barbara Ems ("Ems"), an Insurance Investigator with the Department's Consumer Affairs Division, was assigned to investigate this matter. During the course of that investigation, she discovered that the insurance producer listed on the ACMIC health insurance application and a subsequent claim issue which was the subject-matter of the complaint was not Cavanaugh but was Respondent. This was confirmed by documentation included with the response from ACMIC to Ms. Ems on or about March 4, 2009.
- c. On March 18, 2009, Ems wrote to Respondent requesting information and answers to questions raised in her letter regarding the solicitation of the ACMIC health insurance application for the policy on Insured.
- d. On April 9, 2009, Respondent sent a response by facsimile to Ms. Ems' March 18, 2009 letter regarding Cavanaugh's involvement in the solicitation of health insurance on Insured when the March 27, 2008 ACMIC health insurance application showed Respondent as the writing agent. The Respondent noted that Cavanaugh "assisted the applicant in filling out the application because it was his referral and it was at a remote location. I completed the quotes and provided the marketing materials for the sale. I reviewed the application and submitted to ACMIC. The Insured contact information was given to me by Cavanaugh, who got Insured's name on a referral. I gave the application and marketing materials to Cavanaugh because he was going to be in the area and knew the Insured."
- e. By his submitted response noted above in subparagraph 3d, Respondent in effect admitted that he signed a health insurance application on Insured that he did not solicit or complete; and that by providing Cavanaugh a

copy of an ACMIC health insurance application, along with marketing materials and premium quotes, he enabled an unlicensed person (Cavanaugh) to present health insurance coverage and complete the application for it with the Insured, and accepted the health insurance business from Cavanaugh on Insured by submitting the application solicited by Cavanaugh to ACMIC.

3. Respondent was informed of his right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving his right to a public hearing, Respondent also waives his right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations contained stated in Paragraph #2 above.

CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes a violation of §§44-1524, 44-1525(12), 44-4059(1)(b), 44-4059(1)(g), 44-4059(1)(h) and 44-4059(1)(i).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, George A. Gehringer, that he shall pay an administrative fine of \$1,000. The fine shall be paid in total within thirty days after the Director of the Department of Insurance affixes her signature to this document and approves said consent agreement. If Respondent fails to pay this fine in the time specified, his Nebraska's insurance producer license shall automatically be suspended. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing their signature below.

Michael C. Boyd

Michael C. Boyd, #10394
Attorney for Nebraska
Department of Insurance
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(402)471-2201

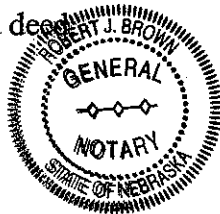
[Signature]
Respondent

2-24-2010
Date

~~2-24-2010~~ 2-25-2010
Date

State of Nebraska)
County of Douglas) ss.

On this 24 day of February, 2010, George A. Gehringer personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be his voluntary act and deed.



[Signature]
Notary Public

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. George A. Gehringer, Cause No. A-1864.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Ann M. Frohman
ANN M. FROHMAN
Director of Insurance

2-26-10
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was sent to the Respondent, at
17310 Wright St., Suite 200, Omaha, Nebraska 68130-2155, by certified mail, return receipt
requested on this 1st day of March, 2010.

A handwritten signature in cursive script, reading "Seary A. Zuhra", is written over a horizontal line.